REMARKS

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Reconsideration of this application, in view of the foregoing amendment and the following remarks, is respectfully requested.

Claims 1-16 and 24-35 are currently pending in this application, and the Examiner's indication that Claims 6-9, 11-13, 15, 16, 27-30, 32 and 33 contain patentable subject matter is noted with appreciation. By the foregoing amendment, Claim 1 has been revised. Accordingly, Claims 1-16 and 24-35 remain in this application for consideration and allowance.

In his December 17, 2002 Office Action the Examiner indicated in box 6 of the "Disposition of Claims" section that Claims 1-5, 10, 14, 24-26, 31, 34 and 35 were rejected. However, claim rejection grounds were subsequently set forth in the Office Action only with respect to Claims 1-5, 10 and 14. These rejections of Claims 1-5, 10 and 14, which are respectfully traversed for reasons subsequently set forth herein, are as listed below.

- 1. Claims 1, 2, 4 and 5 stand rejected under 35 USC §102(e) as being anticipated by U.S. Patent 6,457,525 to Scott:
- 2. Claims 1-5, 10 and 14 stand rejected under 35 USC §102(e) as being anticipated by U.S. Patent 6,311,776 to Pringle et al; and
- 3. Claims 1, 2, 4 and 5 stand rejected under 35 USC §102(e) as being anticipated by U.S. Patent 5,419,655 to Phillips et al.

Via independent Claim 1, each of applicant's Claims 1-5, 10 and 14 specifies a production wellbore extending into a recited formation and withdrawing gas therefrom, and a storage wellbore extending into the formation and injecting gas from the formation, the production and storage wellbores intersecting at a wellbore junction.

Neither Scott nor Pringle et al discloses intersecting wellbores, with one of the wellbores injecting gas into a formation, and the other wellbore withdrawing gas from the formation. And the Phillips et al does not even disclose two intersecting wellbores. Accordingly, none of applicant's Claims 1-16 is anticipated by any of the Scott, Pringle et al and Phillips et al references.

Independent Claim 24, from which Claims 25-35 depend, specifies a gas storage and production system comprising a main wellbore extending from the earth's surface to a wellbore junction; a storage wellbore extending from the main wellbore into a gas storage formation; and a production wellbore extending from the main wellbore into the formation, gas being injected from the main wellbore into the formation via the storage wellbore, and gas being withdrawn from the formation into the main wellbore via the production wellbore.

None of the Scott, Pringle et al and Phillips et al references discloses or in any manner suggests a gas storage and production system in which, as recited in Claim 24, a storage wellbore extending from a main wellbore into a formation injects gas into the formation, and a production wellbore extending from the main wellbore into the formation withdraws gas from the formation. Accordingly, to the extent that these references were to be applied to any of applicant's Claims 24-35, such claims are seen to be patentably distinguishable over these references whether they are considered singly or in any combination thereof.

In view of the foregoing amendment and remarks, all of the claims currently pending in this application are now seen to be in a condition for allowance. A Notice of Allowance of Claims 1-16 and 24-35 is therefore earnestly solicited.

VERSION WITH MARKINGS TO SHOW CHANGES MADE

	Set fort	h below	is C	laim	1	which	has	been	appropriately	marked	to
show the changes made therein in the foregoing amendment.											

- 1. (Amended) A gas storage and production system, comprising:
- a gas storage formation, wherein gas is stored within pores of formation rock;
- a production wellbore extending into the formation [for] <u>and</u> withdrawing gas from the formation;
- a storage wellbore extending into the formation [for] \underline{and} injecting gas into the formation; and

the production and storage wellbores intersecting at a wellbore junction.

The Examiner is hereby requested to telephone the undersigned attorney of record at 972/516-0030 if such would further or expedite the prosecution of the instant application.

Respectfully submitted,

PNNEKER & SMITH/PA

9. Richard Konneker Attorney for Applicant Registration No. 28,867

Dated: January 28, 2003

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I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Commissioner for Patents, Washington, D.C., 20231,

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